

Q1 FY22

Hon Hai Precision Industry Co., Ltd. **2022 First Quarter Financial Results**

May 12, 2022

Safe Harbor Notice

- Financial numbers in this document contains unaudited and unreviewed information. All information is for reference only.
- This document and relevant information may contain certain forward-looking statements. Such forward-looking statement is not actual results but only reflects the Company's estimates and expectations and is subject to inherent risks and uncertainties that could cause actual results to differ materially from such statement.
- Any business outlook or forward-looking statement hereof reflects the Company's estimates and expectations as of now and is subject to change after this date. Unless required by applicable law, the Company undertakes no obligation to update any such information.

Table of Contents

- 1 | 1Q22 Financial Results
- 2 | 2Q22 & FY22 Business Outlook
- 3 | 3+3 New Business Development
- 4 | Recap of Recent Major Events
- 5 | Q&A

1Q22 Financial Results

1Q22 Financial Statements

1.

Consolidated Statements of Income

(NTD in millions)	Q1/22	Q4/21	QoQ	Q1/21	YoY
Revenues	1,407,553	1,889,826	-26%	1,347,113	4%
Gross Profit	84,766	113,866	-26%	78,133	8%
Operating Income	36,669	52,720	-30%	27,570	33%
Total Non-Op. Income and Expenses	258	9,488	-97%	11,619	-98%
Income Before Tax	36,927	62,208	-41%	39,189	-6%
Income Tax Expense	(7,318)	(10,989)	-33%	(8,210)	-11%
Profit (Loss) Attributable to Owner of the Parent	29,450	44,395	-34%	28,162	5%
Earnings Per Share (NTD)	2.12	3.20	-34%	2.03	5%
Gross Profit Margin	6.02%	6.03%	-0.3 bps	5.80%	22 bps
Operating Profit Margin	2.61%	2.79%	-18 bps	2.05%	56 bps
Net Profit Margin	2.09%	2.35%	-26 bps	2.09%	0.2 bps

1Q22 Financial Statements

2.

Consolidated Balance Sheets

(NTD in millions)	2022.3.31	2021.12.31	QoQ	2021.3.31	YoY
Cash and Cash Equivalent	1,184,630	1,059,417	12%	1,112,175	7%
Net Accounts Receivable	880,424	1,161,219	-24%	775,621	14%
Inventory	754,530	672,145	12%	634,983	19%
Investments Accounted for Using the Equity Method	197,610	194,594	2%	171,861	15%
Property, Plant and Equipment	318,854	310,107	3%	289,516	10%
Total Assets	3,893,456	3,908,878	0%	3,456,352	13%
Accounts Payable	888,444	1,076,178	-17%	803,784	11%
Bonds payable	227,533	226,259	1%	200,396	14%
Total Liabilities	2,308,368	2,335,618	-1%	2,002,282	15%
Total Equity	1,585,088	1,573,260	1%	1,454,069	9%
Net Cash	271,478	237,431	14%	344,155	-21%
AR Turnover Days	66	50	16	58	8
Inventory Turnover Days	50	35	15	45	5
AP Turnover Days	67	50	17	66	1
Cash Conversion Cycle	49	35	13	37	12
Debt Ratio	59%	60%	-0.5%	58%	1%

1Q22 Financial Statements

3. Consolidated Statements of Cash Flow

(NTD in millions)	2022.1.1~2022.3.31	2021.1.1~2021.3.31
Net Cash Flows from (Used in) Operating Activities	61,652	(133,796)
Net Cash Flows from (Used in) Investing Activities	(49,080)	(9,117)
Net Cash Flows from (Used in) Financing Activities	73,979	23,710
Capital Expenditures	(17,561)	(18,363)
Free Cash Flow (FCF) ¹	44,091	(152,159)

¹ Free Cash Flow = Net Cash Flows from (Used in) Operating Activities – Capital Expenditures

1Q22 Performance Review

1Q22



Smart Consumer
Electronics Products

52%



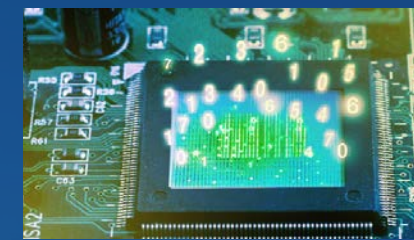
Cloud and
Networking Products

23%



Computing Products

19%



Components and
Others Products

6%

QoQ



Guidance



Actual



Guidance



Actual



Guidance



Actual



Guidance



Actual



Guidance



Actual

YoY



Guidance



Actual



Guidance



Actual



Guidance



Actual



Guidance



Actual



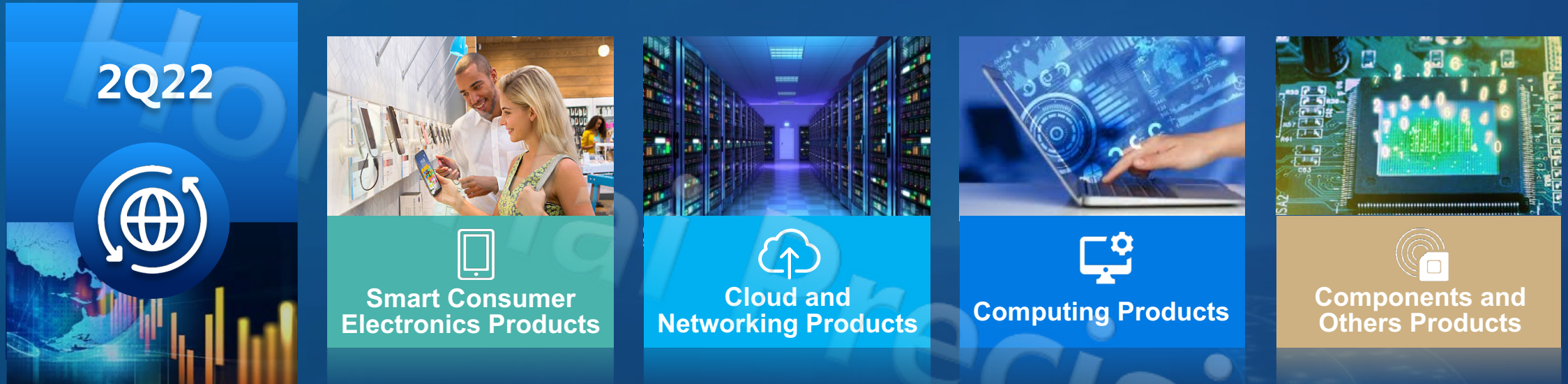
Guidance



Actual

2Q22 & FY22 Business Outlook

2Q22 Business Outlook



QoQ



YoY



FY22 Business Outlook



YoY
(05/12)



YoY
(03/16)



3+3 New Business Development

EV Development



- Aim at Europe and Asia clients with core value of TTM & TTC



- Acquired the 1st North America production site in Ohio



- LMC pickup truck SOP in 2H22
- MIH EV Design LLC, a JV by HH & LMC, will design new EV models based on MIH platform

Semiconductor Development



**EV Chips
Vertical Integration**

- Build up comprehensive SiC supply chain and ecosystem



**LiDAR
Vertical Integration**

- Develop LiDAR total solution based on HW and SW integration



**Diversified
Capacity Build-up**

- Expand capacity by partnership and self-own fab

Recap of Recent Major Events

Recap of Recent Major Events |

2021 Earnings Distribution

Cash Dividend and Payout Ratio



2021

Cash Dividend Payout Ratio 52%

Record High Cash Dividend Per Share since listed

\$NTD 5.2

Recap of Recent Major Events |

More EV Clients Engagement and Software Development



2022/03/22

Collaborated with Metropolitan Transport Co. to introduce Model T in Taipei City



2022/04/22

Demonstrated EVkit in Baogao Science and Intellectual Park and build up 3+3 research center

Recap of Recent Major Events | ESG Implementation



2022/03/16

Set up Nomination Committee
to enhance Board composition
diversity



2022/04/15

Purchased green energy from
Shinfox Energy and targeted to
reach 50% green energy usage
at Taiwan sites by 2030



2022/04/22 & 2022/05/06

Revealed Environment and
Social Long-Term goals for ESG

Recap of Recent Major Events |

ESG Recognition



2022/03/11

Headquarter, the first building in Taiwan, certified by Fitwel 3-star Award



2022/04/08

Longhua Campus awarded UL 2799 Gold-Level Certification of zero waste as the first ecological demo site



2022/05/03

Received the First Place Award within electronics industry category in ESG field by Global Views Monthly

Thank You
